

Atlas Forced to Cut Uranium Works

By Robert H. Woody
Tribune Business Editor

MOAB — Atlas Corp.'s Minerals Division is cutting back mining and milling activities in an effort to sustain operations during a difficult time in the uranium market.

The effort will result in the layoff of 175 miners and millers of the Minerals Division work force of 500, Glen Elkins, senior vice president of Atlas, told The Tribune from the firm's Princeton, N.J., headquarters.

It is the second major layoff in the Utah uranium industry within a few months. Last fall, Rio Algom cut by one half its mine-mill force of 260 at the Lisbon mine 30 miles south of here.

In Salt Lake City, Federal Resources Corp., with uranium operations in Wyoming and Canada, previously re-

ported severe financial distress. Its Wyoming operations have been closed. It said it was seeking new capital infusion.

As part of its effort to maintain operations at profitable levels, Atlas is temporarily closing its alkaline uranium circuit at the Moab mill and will concentrate efforts on acid uranium recovery circuit, according to John E. Panos, administrative manager at Moab.

The acid circuit produces uranium at much lower costs than the alkaline circuit. It also recovers vanadium as a saleable byproduct. The company said the production cutback also will enable Atlas to stay within production limits set by the Nuclear Regulatory Commission.

The lower cost of produced uranium concentrate, it added, will enable Atlas

to compete with other low-cost producers, particularly in Canada and Australia.

Division president Richard Weaver said the alkaline circuit and mines producing for it can be quickly reactivated whenever desirable.

In the meantime, Atlas will press its exploration program, he said, to assure it will be a major producer over the long term.

Among properties impacted:

The Snow and Probe mines 12 miles southwest of Green River will go standby until further notice.

The Calliham Mine near Moab will be put on standby. The Pandora Mine near La Salle will operate on a "slow down" basis.

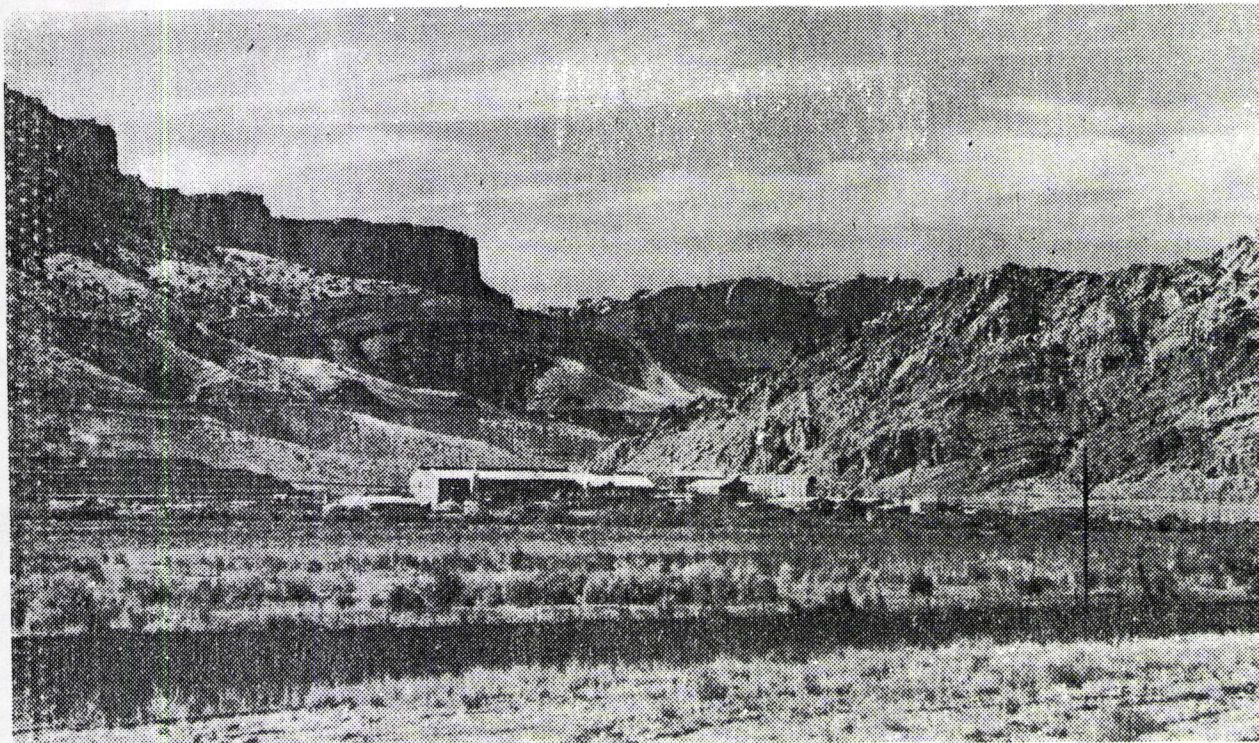
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Calliham & Sage



Thirty-five percent of Atlas Minerals mine and mill workers at Moab are being laid off as com-

pany alters operations in effort to keep in the black. Firm will continue uranium exploration.